



4004

ANNUAL REPORT

OF

Name: STOCKBRIDGE & SHERWOOD TELEPHONE COMPANY

Principal Office: N287 MILITARY ROAD
SHERWOOD, WI 54169

For the Year Ended: DECEMBER 31, 1996

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: STOCKBRIDGE & SHERWOOD TELEPHONE COMPANY
Utility Location: N287 MILITARY ROAD
SHERWOOD, WI 54169

Utility Web Site Address:

When was utility organized?: 06/13/1906

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: GERALD A. RINGLUND
Title: ASSISTANT TREASURER

Office Address: 301 S. WESTFIELD RD
P.O. BOX 5158
MADISON, WI 53705-0158

Fax Number: (608) 845 - 4519
Telephone Number: (608) 845 - 4554
Email Address:

Individual or firm, if other than utility employee, preparing this report

Name: MR ANDREW J. AGNEW
Title: STAFF ACCOUNTANT
Firm: TDS TELECOM
Office Address: 301 S WESTFIELD RD
P.O. BOX 5158
MADISON, WI 53705-0158

Fax Number: (608) 845 - 4519
Telephone Number: (608) 845 - 4562
Email Address:

Person responsible for financial information contained in report

Name: MR GERALD A. RINGLUND, CPA
Title: ASSISTANT TREASURER

Office Address: 301 S. WESTFIELD RD
P.O. BOX 5158
MADISON, WI 53705-0158

Fax Number: (608) 845 - 4519
Telephone Number: (608) 845 - 4554
Email Address:

Person responsible for statistical information contained in report

Name: VARIOUS CONTACTS
Title: ASSISTANT TREASURER

Office Address: 301 S. WESTFIELD RD
P.O. BOX 5158
MADISON, WI 53705-0158

Fax Number: (608) 845 - 4519
Telephone Number: (608) 845 - 4554
Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: TDS TELECOMMUNICATIONS CORPORATION
Address: 301 S WESTFIELD ROAD
MADISON, WI 53717-1707

Number of Shares Held: 14,993

Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: NONE
Form of Interest: NONE
Extent Of Interest: NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,993,106	1,937,729	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	153,099	187,295	2
Plant Nonspecific Operations Expense	607,461	553,124	3
Customer Operations Expense (6610-6620)	338,567	313,536	4
Corporate Operations Expense (6710-6790)	364,117	296,365	5
Other Operating Income and Expense (7100)	396	399	6
Operating Taxes (7200)	261,232	283,537	7
Total Operating Expenses	1,724,080	1,633,458	8
Net Operating Income	269,026	304,271	9
Other Income			
Nonoperating Income and Expense (7300)	18,778	37,727	10
Nonoperating Taxes (7400)	6,192	11,636	11
Interest and Related Items (7500)	80,850	75,282	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	25,545	17,276	14
Total Nonoperating Income	(42,719)	(31,915)	15
Net Income	226,307	272,356	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

NOTES TO INCOME STATEMENT OR BALANCE SHEET COPY 1 OF PAGE 9

TELEPHONE PLANT

Telephone plant is stated as the original cost of construction including capitalized costs such as taxes, pensions, and other fringe benefits, and an allowance for funds used during construction (AFUDC).

DEPRECIATION

The company provides depreciation for financial reporting purposes using the straight-line method. Renewals and betterments of units of property are charged to telephone plant in service. The original cost of depreciable property retired, together with removal cost less any salvage realized, is charged to accumulated depreciation. Repairs and renewals of minor items of property are charged to maintenance expense. No gain or loss is recognized in connection with ordinary retirements of depreciable property.

REVENUES

Operating and nonoperating revenues are recognized when earned regardless of the period in which they are billed.

Compensation for all intrastate service is received through tariffed access charges billed to the long distance carrier and retained by the company.

Compensation for interstate access services is received through tariffed access charges filed by the National Exchange Carrier Association (NECA) with the Federal Communications Commission (FCC) on behalf of the member companies. These access charges are billed by the company to the interstate long distance carrier, and pooled with like revenues from all NECA member companies.

PENSION

The company is a member of the Telephone and Data Systems, Inc. Employees' Pension Trust I. This qualified, noncontributory defined contribution pension plan covers substantially all company employees. Under this plan, pension benefits and costs are funded currently.

INCOME TAXES

The company is included in the TDS consolidated federal income tax return. For financial reporting purposes, the company computes its federal income tax by applying the statutory rate to all its taxable income.

The company uses the full-normalization method for all timing differences with the resulting book-tax differences being provisioned through the

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

with the resulting book-tax differences being provisioned through the deferred tax accounts. Deferred income taxes resulting from accelerated depreciation used for income tax purposes had previously been provided through the depreciation accounts. Such deferred taxes are credited to income as the related timing differences reverse. Investment tax credits resulting from investments in qualifying telephone plant and equipment have been deferred and are being amortized to income over the service lives of the related property.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None.

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 1996, the company has invested no funds with Telecommunications Technologies Fund, Inc., and could distribute up to no to the parent or other affiliates in the form of cash dividends.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*		0	1
Cash (1130)	736,725	225,022	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)	600	400	4
Temporary Investments (1160)		450,000	5
TOTAL CASH AND EQUIVALENTS	737,325	675,422	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	196,375	174,934	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	196,375	174,934	
Other Accounts Receivable (1190)*	243,131	186,213	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	243,131	186,213	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	2,344	11,051	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	441,850	372,198	
SUPPLIES			
Inventories (1220)*	34,295	29,521	13
TOTAL SUPPLIES	34,295	29,521	
PREPAYMENTS			
Total Prepayments (1280)*		0	14
Prepaid Rents (1290)	1,333	1,666	15
Prepaid Taxes (1300)		3,328	16
Prepaid Insurance (1310)		0	17
Prepaid Directory Expenses (1320)		1,241	18
Other Prepayments (1330)	4,800	52,529	19
TOTAL PREPAYMENTS	6,133	58,764	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	771	1,036	20
TOTAL OTHER CURRENT ASSETS	771	1,036	
TOTAL CURRENT ASSETS	1,220,374	1,136,941	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	10,400	15,151	22
Nonregulated Investments (1406)*	15,714	12,539	23
Unamortized Debt Issuance Expense (1407)*	3,821	4,165	24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*		0	26
TOTAL INVESTMENTS	29,935	31,855	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	27,660	37,364	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*		0	29
TOTAL DEFERRED CHARGES	27,660	37,364	
TOTAL NONCURRENT ASSETS	57,595	69,219	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	7,940,662	6,311,656	30
Less: Accumulated Depreciation (3100)*	3,299,130	2,886,363	31
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*		0	33
Less: Accumulated Amortization--Intangible (3500)*		0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	4,641,532	3,425,293	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*		0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*		0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*		0	37
Less: Accumulated Depreciation--Nonoperating (3300)*		0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	181,619	599,487	39
TOTAL TPUC	181,619	599,487	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	40
Less: Accumulated Amortization--Other (3600)*		0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	4,823,151	4,024,780	
TOTAL ASSETS AND OTHER DEBITS*	6,101,120	5,230,940	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	262,570	293,859	1
Notes Payable (4020)*	400,000	0	2
Advance Billing and Payments (4030)*	39,400	40,400	3
Customer Deposits (4040)*		0	4
Current Maturities--Long-Term Debt (4050)*	109,469	105,562	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	26,828	42,586	7
Other Taxes--Accrued (4080)*	10,478	35	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*		0	10
Other Accrued Liabilities (4120)*	11,988	11,311	11
Other Current Liabilities (4130)*	89	5,345	12
TOTAL CURRENT LIABILITIES*	860,822	499,098	
LONG-TERM DEBT			
Funded Debt (4210)*	2,113,137	1,673,756	13
Premium on Long-Term Debt (4220)*		0	14
Discount on Long-Term Debt (4230)*		0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*		0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	2,113,137	1,673,756	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	(1,741)	(2,471)	20
Unamortized Operating ITC--Net (4320)*	5,203	11,120	21
Unamortized Nonoperating ITC--Net (4330)*		0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	370,172	412,435	23
Net Deferred Tax Liability Adjustments (4341)*	24,857	31,375	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*		0	25
Other Deferred Credits (4360)*		185	26
Deferred Tax Regulatory Liability (4361)*	2,802	5,988	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	401,293	458,632	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	374,825	374,825	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	2,351,038	2,224,630	32
TOTAL STOCKHOLDERS' EQUITY*	2,725,863	2,599,455	
TOTAL LIABILITIES AND OTHER CREDITS*	6,101,115	5,230,941	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	226,307	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	468,224	2
Interest during construction	(3,040)	3
Changes in assets and liabilities:		
Current assets (net)	(21,530)	4
Other noncurrent assets	9,503	5
Other current liabilities	(42,183)	6
Other liabilities and deferred credits	(57,339)	7
Other (specify):		
TOTAL ADJUSTMENTS	353,635	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	579,942	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(1,263,555)	8
Investments in affiliated companies	0	9
Nonoperating Investments	1,576	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(1,261,979)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	443,833	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	400,000	14
Dividends paid	(99,898)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	743,935	
NET INCREASE IN CASH AND CASH EQUIVALENTS	61,898	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

-
1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

NONE

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

NONE

5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

NONE

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

NONE

7. Changes in articles of incorporation or amendments to charter.

NONE

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

NONE

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Badger Telecom, Inc.	BADGER	1
Bonduel Telephone Company	BONDUEL	2
Central State Telephone Company	CENTRAL	3
Central Region-Telephone Systems Service Div., Inc.	CR-TSSD	4
Eastcoast Telecom, Inc.	EASTCOAST	5
Midway Telephone Company	MIDWAY	6
Other	OTH	7
Riverside Telecom, Inc.	RIVERSIDE	8
Scandinavia Telephone Company	SCAND	9
Suttle Press, Inc.	SUTTLE	10
TDS Computing Services	TDS/CS	11
TDS Telecommunications, Inc.	TDS-Tel	12
Telephone System Service Division, Inc.	TSSD	13
Telecommunications Technology Fund	TTF	14

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars (a)	(b)	(c)	(d)	(e)	
Docket	05 -TI-124	05 -TI-124	05 -TI-124	05 -TI-124	
Name of Affiliate	OTH	OTH	SUTTLE	TDS/CS	1
Designate whether billed to or from:	FROM	TO	FROM	FROM	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	M	C	3
Revenues					4
Expenses:					
Plant Specific Operations Expense	304			363	5
Plant Nonspecific Operations Expense	3,993	654	212	4,407	6
Customer Operations Expense	1,919	178	1,034	66,576	7
Corporate Operations Expense	3,396	5,643	55	16,212	8
Total Operating Expenses	9,612	6,475	1,301	87,558	9
Other:					
Plant Accounts		382			10
Accumulated Depreciation					11
Accumulated Amortization					12
Clearing		328			13
All Other		49	7	78	14
Total	9,612	7,234	1,308	87,636	15
Percent of affiliate's business billed to all affiliated regulated utilities			58.60		16
If cost based, rate of return on equity or markup incorporated in billings	0.00			15.10	17
Footnotes					

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars	(a)	(b)	(c)	(d)	(e)	
Docket		05 -TI-124				
Name of Affiliate		TDS-Tel				1
Designate whether billed to or from:		FROM				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)		C				3
Revenues		41				4
Expenses:						
Plant Specific Operations Expense		926				5
Plant Nonspecific Operations Expense		75,145				6
Customer Operations Expense		134,147				7
Corporate Operations Expense		214,794				8
Total Operating Expenses		425,012	0	0	0	9
Other:						
Plant Accounts		80,844				10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing		919				13
All Other		390				14
Total		507,206	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities						16
If cost based, rate of return on equity or markup incorporated in billings		0.00				17
Footnotes						

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
TDS Telecommunications, Inc.	1190	56,546	1
Riverside Telecom, Inc.	4010	1,502	2
TDS Computing Services	4010	(5,680)	3
TDS Telecommunications, Inc.	4010	(33,731)	4
Telecommunications Technology Fund	4010	(2,917)	5

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off	0	1
Uncollectibles written off during the year	0	2
Net write offs during the year	0	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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NONE

Total				<u><u>0</u></u>	<u><u>0</u></u>	1
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	8,400	1
Other:		
RTB Class C Stock	2,000	2
Total Investments in Nonaffiliated Companies	10,400	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
Nonregulated materials & supplies	9,750	1
Nonregulated Investments	5,964	2

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)	
None	0	1
Total	0	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	6,689		1
Motor Vehicles	2112	81,397	17,918	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	93,137	10,209	6
Buildings	2121	202,909	122,163	7
Furniture	2122	7,665	958	8
Office Equipment	2123	16,001	7,002	9
General Purpose Computers	2124	225,279	86,099	10
TOTAL--GENERAL SUPPORT ASSETS:		633,077	244,349	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,353,782	(3,114)	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	920,180	244,512	16
TOTAL--CENTRAL OFFICE ASSETS:		2,273,962	241,398	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	24,570	2,780	20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		24,570	2,780	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	12,836	661	22
Aerial Cable	2421	139,316	4,694	23
Underground Cable	2422	0	0	24
Buried Cable	2423	3,175,586	1,191,546	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	13,173	1,488	29
Conduit Systems	2441	39,135		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		3,380,046	1,198,389	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			6,689	1
2112	11,271		88,044	2
2113			0	3
2114			0	4
2115			0	5
2116			103,346	6
2121			325,072	7
2122			8,623	8
2123	0	0	23,003	9
2124	14,600		296,778	10
	25,871	0	851,555	
2211			0	11
2212	0	0	1,350,668	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	1,164,692	16
	0	0	2,515,360	
2311			0	17
2321			0	18
2341			0	19
2351	165		27,185	20
2362			0	21
	165	0	27,185	
2411			13,497	22
2421	78	0	143,932	23
2422	0	0	0	24
2423	31,795	0	4,335,337	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			14,661	29
2441			39,135	30
	31,873	0	4,546,562	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	6,311,655	1,686,916
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	57,909	0	7,940,662	
2001				34
			7,940,662	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	4,785	3,203	1
Company Communications Equipment	2123.2	11,216	3,799	2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	1,168,938	173	4
Digital Switching - Remote	2212.3	184,844	(3,287)	5
Step by Step Switching	2215.1	0	0	6
Crossbar Switching	2215.2	0	0	7
Satellite and Earth Station Facilities	2231.1	0	0	8
Other Radio Facilities	2231.2	0	0	9
Digital Circuit Equipment	2232.1	847,679	229,877	10
Analog Circuit Equipment	2232.2	0	0	11
Light Wave Circuit Equipment	2232.3	72,501	14,635	12
Aerial Cable - Nonmetallic	2421.1	0	0	13
Aerial Cable - Metallic	2421.2	139,316	4,694	14
Underground Cable - Nonmetallic	2422.1	0	0	15
Underground Cable - Metallic	2422.2	0	0	16
Buried Cable - Nonmetallic	2423.1	146,547	117,218	17
Buried Cable - Metallic	2423.2	3,029,039	1,074,328	18
Submarine Cable - Nonmetallic	2424.1	0	0	19
Submarine Cable - Metallic	2424.2	0	0	20
Intrabuilding Cable - Nonmetallic	2426.1	0	0	21
Intrabuilding Cable - Metallic	2426.2	0	0	22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			7,988	1
2123.2			15,015	2
2212.1			0	3
2212.2			1,169,111	4
2212.3			181,557	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			1,077,556	10
2232.2			0	11
2232.3			87,136	12
2421.1			0	13
2421.2	78		143,932	14
2422.1			0	15
2422.2			0	16
2423.1			263,765	17
2423.2	31,795		4,071,572	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	33,702	18.0	10,725	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	60,117	10.0	9,652	5
Buildings	2121	101,955	3.4	8,241	6
Furniture	2122	7,665	10.0	432	7
Office Equipment	2123	9,720	19.84	3,300	8
General Purpose Computers	2124	137,958	20.0	51,531	9
Total-- GENERAL SUPPORT ASSETS		351,117		83,881	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	34,391			10
Digital Electronic Switching	2212	737,895	7.85	107,127	11a
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	427,284	9.79	97,999	15
Total-- CENTRAL OFFICE ASSETS		1,199,570		205,126	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	20,072	13.6	3,449	19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		20,072		3,449	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	(4,905)	10.0	1,284	21
Aerial Cable	2421	115,054	6.0	8,432	22
Underground Cable	2422	0			23
Buried Cable	2423	1,200,108	5.0	164,711	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	4,162	19.0	2,565	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	1,184	3.03	1,188	29
Total-- CABLE WIRE FACILITIES ASSETS		1,315,603		178,180	0
Total Accumulated Depreciation	3100	2,886,362		470,636	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	11,271		2,000		35,156	1
2113					0	2
2114					0	3
2115					0	4
2116					69,769	5
2121					110,196	6
2122					8,097	7
2123	0				13,020	8
2124	14,600				174,889	9
	25,871	0	2,000	0	411,127	
2211				(34,391)	0	10
2212	0			34,391	879,413	11 a
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				525,283	15
	0	0	0	0	1,404,696	
2311					0	16
2321					0	17
2341					0	18
2351	165				23,356	19
2362					0	20
	165	0	0	0	23,356	
2411					(3,621)	21
2421	78	511			122,897	22
2422	0				0	23
2423	31,795	1,156		0	1,331,868	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431		292			6,435	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					2,372	29
	31,873	1,959	0	0	1,459,951	
3100	57,909	1,959	2,000	0	3,299,130	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	1,270	19.0	1,056	1
Company Communications Equipment	2123.2	8,450	20.0	2,244	2
Software	2212.1	0	33.33		3
Digital Switching - Central Office	2212.2	628,666	7.85	92,745	4 a
Digital Switching - Remote	2212.3	109,229	7.85	14,382	5 a
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	403,233	9.8100	90,415	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	24,051	9.5	7,584	12
Aerial Cable - Nonmetallic	2421.1	0	4.8		13
Aerial Cable - Metallic	2421.2	115,054	6.0	8,432	14
Underground Cable - Nonmetallic	2422.1	0	4.1		15
Underground Cable - Metallic	2422.2	0	4.4		16
Buried Cable - Nonmetallic	2423.1	1,173,203	4.8	7,970	17 a
Buried Cable - Metallic	2423.2	26,905	5.0	156,741	18 a
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					2,326	1
2123.2					10,694	2
2212.1					0	3
2212.2				28,976	750,387	4 a
2212.3				5,415	129,026	5 a
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					493,648	10
2232.2					0	11
2232.3					31,635	12
2421.1					0	13
2421.2	78	511			122,897	14
2422.1					0	15
2422.2					0	16
2423.1				(1,146,298)	34,875	17 a
2423.2	31,795	1,156		1,146,298	1,296,993	18 a
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	37,364	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(423,801)	5
Net Deferred Tax Liability Adjustments (4341)	(31,375)	6
Deferred Tax Regulatory Liability (4361)	(5,988)	7
Net Property Related Deferred Operating Income Taxes	(423,800)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(423,800)	
NONPROPERTY RELATED		
Other Current Assets (1350)	1,036	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	11,366	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	12,402	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
	(9,704)			27,660	3
7250				0	4
7250	42,658		2,561	(378,582)	5
	6,518			(24,857)	6
	3,186			(2,802)	7
	42,658	0	2,561	(378,581)	
				0	8
	42,658	0	2,561	(378,581)	
7250			(265)	771	9
7250				0	10
				0	11
7250				0	12
7250			(2,956)	8,410	13
				0	14
				0	15
	0	0	(3,221)	9,181	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)	
Affiliated:					
Telecommunications Technology Fund	07/01/1996	12/31/1997	8.7500	400,000	1
Total Affiliated				400,000	
Total Notes Payable				400,000	

LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RUS	06/17/1972-06/19/1984	06/17/2004-06/19/2013	2.0000	1
RUS	03/15/1991	03/15/2001	5.0000	2
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
2.0000	0	0	412,846	49,073	461,919	1
5.0000			1,700,291	60,396	1,760,687	2
	0	0	2,113,137	109,469	2,222,606	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
	15,000	25.00	1
TOTAL COMMON STOCK	15,000		
TOTAL	<u>15,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares	Amount	Shares	Amount	
	(e)	(f)	(g)	(h)	
COMMON STOCK:					
	14,993	374,825			1
	14,993	374,825	0	0	
TOTAL	14,993	374,825	0	0	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	2,224,629	2,038,634	1
Changes:			
Balance Transferred from Income	226,307	272,355	2
Dividends Declared:			
Common	99,898	86,360	3
Preferred		0	4
Total Dividends Declared	99,898	86,360	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>2,351,038</u>	<u>2,224,629</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	110,379	32,296	111,771	1
Nonoperating Taxes (Accts. 7410 - 7450)		1,190	5,002	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		2,228	8,944	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u>110,379</u>	<u>35,714</u>	<u>125,717</u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
6,427	0		359		261,232	1
					6,192	2
					0	3
					11,172	4
					0	5
					0	6
					0	7
					0	8
					0	9
6,427	0	0	359	0	278,596	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	739,007	696,757	2
Optional Extended Area Revenue (5002)		0	3
Cellular Mobile Revenue (5003)		0	4
Other Mobile Services Revenue (5004)		0	5
Public Telephone Revenue (5010)	1,475	1,725	6
Local Private Line Revenue (5040)	2,478	1,958	7
Customer Premises Revenue (5050)	309	418	8
Other Local Exchange Revenue (5060)	39,355	36,940	9
Other Local Exchange Revenue Settlements (5069)		0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	782,624	737,798	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	125,604	112,741	11
Switched Access Revenue (5082)*	411,040	401,406	12
Special Access Revenue (5083)*		0	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	536,644	514,147	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	483,401	474,214	15
Special Access Revenue (5084.3)*	31,829	34,153	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	515,230	508,367	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*		0	17
Long Distance Inward-Only Revenue (5111)		0	18
Long Distance Outward-Only Revenue (5112)		0	19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)		0	20
Voice Grade Revenue (5122)		0	21
Audio Program Grade Revenue (5123)		0	22
Video Program Grade Revenue (5124)		0	23
Digital Transmission Revenue (5125)		0	24
Switching Revenue (5126)		0	25
Other Revenue (5128)		0	26
Other Revenue Settlements (5129)		0	27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)		0	28
Other Long Distance Revenue Settlements (5169)		0	29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	66,465	64,236	30
Rent Revenue (5240)*	171	171	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)	2,629	0	34
Customer Operations Revenue (5262)		0	35
Plant Operations Revenue (5263)		0	36
Other Incidental Regulated Revenue (5264)	189	80	37
Other Revenue Settlements (5269)	788	835	38
Total Miscellaneous Revenue (5260)	3,606	915	
Interstate Billing and Collection Revenue*	42,850	34,593	39 b
Intrastate Billing and Collection Revenue*	50,208	85,725	40 c
Total Carrier Billing and Collection Revenue (5270)*	93,058	120,318	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	163,300	185,640	
GROSS OPERATING REVENUES	1,997,798	1,945,952	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	4,692	2,270	43
Uncollectible Revenue--Other (5302)		5,953	44 d
TOTAL UNCOLLECTIBLE REVENUE (5300)	4,692	8,223	
TOTAL OPERATING REVENUES	1,993,106	1,937,729	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	6,050	4,818	599	1
Less: Nonregulated		0		2
Net Regulated	6,050	4,818	599	3
Total General Support Expense (6120)	31,681	58,548	7,436	4
Less: Nonregulated		0		5 e
Net Regulated	31,681	58,548	7,436	6
Total Central Office Switching Expense (6210)	41,103	9,497	9,575	7
Less: Nonregulated		0		8 f
Net Regulated	41,103	9,497	9,575	9
Total Operator Systems Expense (6220)		17	10	10
Less: Nonregulated		0		11
Net Regulated	0	17	10	12
Total Central Office Transmission Expenses (6230)	9,431	16,893	7,430	13
Less: Nonregulated		0		14 g
Net Regulated	9,431	16,893	7,430	15
Total Information Orig. / Term. Expense (6310)	1,245	1,092	595	16
Less: Nonregulated		0		17
Net Regulated	1,245	1,092	595	18
Total Cable and Wire Fac. Expense (6410)	97,785	62,234	44,300	19
Less: Nonregulated		0		20 h
Net Regulated	97,785	62,234	44,300	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	187,295	153,099	69,945	
Less: Nonregulated	0	0	0	
Net Regulated	187,295	153,099	69,945	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	1,950	1,496	22
Less: Nonregulated		0		23
Net Regulated	0	1,950	1,496	24
Total Network Operations Expense (6530)	115,047	137,287	38,481	25
Less: Nonregulated		0		26
Net Regulated	115,047	137,287	38,481	27
Access Expense (6540)		0	0	28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	438,077	468,224		31
Less: Nonregulated		0		32
Net Regulated	438,077	468,224		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	553,124	607,461	39,977	
Less: Nonregulated	0	0	0	
Net Regulated	553,124	607,461	39,977	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	255		26,122	(22,158)	1
					2
	255	0	26,122	(22,158)	3
6120	4,016		47,096		4
					5 e
	4,016	0	47,096	0	6
6210	4,595	5,753	(10,426)		7
					8 f
	4,595	5,753	(10,426)	0	9
6220	7				10
					11
	7	0	0	0	12
6230	2,693		6,770		13
					14 g
	2,693	0	6,770	0	15
6310	182		315		16
					17
	182	0	315	0	18
6410	24,961	2,115	(9,142)		19
					20 h
	24,961	2,115	(9,142)	0	21
	36,709	7,868	60,735	(22,158)	
	0	0	0	0	
	36,709	7,868	60,735	(22,158)	
6510	559	0	109	(214)	22
					23
	559		109	(214)	24
6530	13,751		111,675	(26,620)	25
					26
	13,751	0	111,675	(26,620)	27
6540					28
					29
	0	0	0	0	30
6560			468,224		31
					32
			468,224		33
	14,310	0	580,008	(26,834)	
	0	0	0	0	
	14,310	0	580,008	(26,834)	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	35,379	69,687	2,444	34
Less: Nonregulated		0		35 d
Net Regulated	35,379	69,687	2,444	36
Total Services (6620)	278,157	268,880	43,314	37
Less: Nonregulated		0		38
Net Regulated	278,157	268,880	43,314	39
TOTAL CUSTOMER OPERATIONS EXPENSE	313,536	338,567	45,758	
Less: Nonregulated	0	0	0	
Net Regulated	313,536	338,567	45,758	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	80,022	100,176	40,950	40
Less: Nonregulated		0		41 e
Net Regulated	80,022	100,176	40,950	42
Total General and Administrative (6720)	216,343	263,941	13,172	43
Less: Nonregulated		0		44 f
Net Regulated	216,343	263,941	13,172	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	296,365	364,117	54,122	
Less: Nonregulated	0	0	0	
Net Regulated	296,365	364,117	54,122	
TOTAL EXPENSES	1,350,320	1,463,244	209,802	
Less: Nonregulated	0	0	0	
Net Regulated	1,350,320	1,463,244	209,802	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610	768		66,475		34
					35 d
	768	0	66,475	0	36
6620	15,726		209,840		37
					38
	15,726		209,840	0	39
	16,494	0	276,315	0	
	0	0	0	0	
	16,494	0	276,315	0	
6710	3,143		56,083		40
					41 e
	3,143		56,083	0	42
6720	5,199		245,570		43
					44 f
	5,199		245,570	0	45
6790					46
					47
			0		48
	8,342	0	301,653	0	
	0	0	0	0	
	8,342	0	301,653	0	
	75,855	7,868	1,218,711	(48,992)	
	0	0	0	0	
	75,855	7,868	1,218,711	(48,992)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		1,950	1,496	1
Provisioning Expense (6512)	0	0		2
Total: Reported in Account 6510	0	1,950	1,496	
Depreciat. Exp.--Tele. Plant in Service (6561)	438,077	468,224		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	438,077	468,224		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511	559		109	(214)	1
6512					2
	559		109	(214)	
6561			468,224		3
6562					4
6563					5
6564					6
6565					7
			468,224		

OUT-OF-STATE OPERATING REVENUES

1. This schedule is to be completed only by those companies having out-of-state revenues. For the purpose of completing this schedule, and for PSCW use in calculating Wisconsin remainder assessment revenues, out-of-state revenues are specifically defined in headnote 2.
2. Out-of-state revenues are those derived exclusively from communications physically originating outside of Wisconsin. Out-of-state revenues do not include a) access revenues from "inbound" communications originating outside the state, or b) revenues from communications originating in Wisconsin and terminating outside the state, or c) revenues allocable to Wisconsin-based facilities used for communications originating and terminating outside of the state.

Description (a)	This Year (b)	
Out-of-state operating revenues	0	1
Less: current year write-offs of uncollectible accounts - out-of-state utility customers only	0	2
Plus: current year collection of out-of-state utility customer accounts previously written off	0	3
Net out-of-state operating revenues	0	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*		0	1
Return from Nonregulated Use of Regulated Facilities (7130)*	396	399	2
Gains and (Losses) from Foreign Exchange (7140)		0	3
Gains or (Losses) from the Disposition of Land and Artworks (7150)		0	4
Other Operating Gains and (Losses) (7160)*		0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	396	399	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(5,917)	(5,917)	6
Operating Federal Income Taxes (7220)*	153,070	143,899	7
Operating State and Local Income Taxes (7230)*	39,179	37,784	8
Operating Other Taxes (7240)*	117,165	114,239	9
Provision for Deferred Operating Income Taxes--Net (7250)*	(42,265)	(6,468)	10
TOTAL OPERATING TAXES (7200)*	261,232	283,537	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	150	150	11
Interest Income (7320)*	18,398	51,151	12
Income from Sinking and Other Funds (7330)*		0	13
Allowance for Funds Used During Construction (7340)*	3,040	1,043	14
Gains or (Losses) from the Disposition of Certain Property (7350)*		(1,785)	15
Other Nonoperating Income (7360)*		0	16
Special Charges (7370)*	2,810	12,832	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	18,778	37,727	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*		0	18
Nonoperating Federal Income Taxes (7420)*	5,002	9,346	19
Nonoperating State and Local Income Taxes (7430)*	1,190	2,290	20
Nonoperating Other Taxes (7440)*		0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*		0	22
TOTAL NONOPERATING TAXES (7400)*	6,192	11,636	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	76,955	74,602	23
Interest Expense--Capital Leases (7520)*		0	24
Amortization of Debt Issuance Expense (7530)*	201	201	25
Other Interest Deductions (7540)*	3,694	479	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	80,850	75,282	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*		0	27
Extraordinary Income Credits (7610)		0	28
Extraordinary Income Charges (7620)		0	29
Current Income Tax Effect of Extraordinary Items--Net (7630)	0	0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)	0	0	31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	25,545	17,276	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	96,820	1
Less: Cost of Goods Sold	11,990	2
Net Sales	84,830	3
Expenses (Acct. 7990.2)	59,285	4
Nonregulated Net Income	<u>25,545</u>	5

List the type of nonregulated activities that company is involved in:

Nonregulated activities include the sale, leasing, installation and maintenance of 1 & 2 line phones, key systems, PBXs and data modems. In addition, nonregulated activities include sales and leasing of mobile and pager equipment where the tariff allows.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	209,802	1
Nonregulated Expense	14,554	2
Plant Accounts	66,864	3
Accumulated Depreciation Accounts		4
All Other Accounts	34,380	5
Total Salaries and Wages	325,600	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	.00	.00		1
Supervision and Other Management	1.00	1.00	60,725	2
Other Employees	7.00	6.00	217,274	3
Total	8.00	7.00	277,999	

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	.00	.00		1
Supervision and Other Management	1.00	1.00	60,725	2
Other Employees	7.00	6.00	217,274	3
Total	8.00	7.00	277,999	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange			1
Extended Area Service			2
Extended Community Calling			3
Other Local-Undefined			4
Total Local	0	0	
TOLL			
Operator Handled: State--intraLATA			5
Operator Handled: State--interLATA			6
Operator Handled: Interstate			7
Customer Dialed: State--intraLATA		235	8
Customer Dialed: State--interLATA		518	9
Customer Dialed: Interstate		313	10
WATS			11
Other Toll-Undefined			12
Total Toll	0	1,066	
Total Local & Toll	0	1,066	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.		144			1
Feature Group A -- Term.					2
Feature Group B -- Orig.		2			3
Feature Group B -- Term.	445	16			4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	1,933	2,954	1,368		7
Feature Group D -- Term.	1,525	2,684	1,262		8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	19	1
Sheath miles of plant - buried	323	2
Sheath miles of plant - fiber optics	24	3
Strand miles of plant - fiber optics	431	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade		11	1
56 kbps		1	2
64 kbps (DS0)			3
1.54 Mbps (DS-1)	1		4
45 Mbps (DS-3)			5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	19	1
Sheath miles of plant - buried	323	2
Sheath miles of plant - fiber optics	24	3
Strand miles of plant - fiber optics	431	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade		11	1
56 kbps		1	2
64 kbps (DS0)			3
1.54 Mbps (DS-1)	1		4
45 Mbps (DS-3)			5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	234	287	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	0		6
Centrex Trunks	0		7
Centrex Lines	51	69	8
Key System Trunks	45	50	9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	5	5	12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	17	14	16
- Semi-Public	1	1	17
- Cust. Owned	6	9	18
Other	0		19
Total Business Lines	359	435	20
Residential (Incl. Emp. Concess.)			
1 Party	2,411	2,484	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
Total Residential Lines	2,411	2,484	27
Total Bus & Res Lines	2,770	2,919	28
Company Used Lines	40	48	29
Total Lines Used	2,810	2,967	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	0		3
WATS Lines - 800 Service	0		4
FX-In-intraLATA	50	47	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	0	12	7
Special Access-interLATA			8
(expressed in equiv. access lines)	2	24	9
Feature Group A Lines	0		10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	192	288	13
TSPS - Trunks	15	15	14
EAS - Trunks	162	168	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0	0	18
Customers			
Business - 2 Party Customers	0		19
Business - 4 Party Customers	0		20
Residential - 2 Party Customers	0		21
Residential - 4 Party Customers	0		22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	5,678,578	7,089,107	25
Total Company Square Miles	144	144	26
Total Company Route Miles	276	276	27
Footnotes			28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	2360	4880	5160	5350	1
Business					2
1 Party	2	193	59	33	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks					6
Centrex Trunks					7
Centrex Lines		63	5	1	8
Key System Trunks	1	32	15	2	9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)		3		2	12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public		7	5	2	16
- Semi-Public		1			17
- Cust. Owned		8	1		18
Other					19
Total Business Lines	3	307	85	40	20
Residential (Incl. Emp. Concess.)					21
1 Party	48	1,281	595	560	22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	48	1,281	595	560	27
Total Bus & Res Lines	51	1,588	680	600	28
Company Used Lines		34	4	10	29
Total Lines Used	51	1,622	684	610	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	2360	4880	5160	5350	1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA		24		23	5
Special Access-intraLATA (equiv. access lines)		4	8		6
Special Access-interLATA (equiv. access lines)		24			7
Feature Group A Lines					8
Feature Group B Trunks					9
Feature Group C Trunks					10
Feature Group D Trunks		120		168	11
TSPS - Trunks		10		5	12
EAS - Trunks		120		48	13
Cellular Trunks (Pub. Sw. Net.)					14
Video Distance Learning					15
- discounted (special tariff)	0	0	0	0	16
Customers					17
Business - 2 Party Customers					18
Business - 4 Party Customers					19
Residential - 2 Party Customers					20
Residential - 4 Party Customers					21
Other					22
Exchange C.O., Info. Orig./Term., & Cable					23
Wire Fac. Assets (based on physical location of plant)	36,842	3,946,335	1,589,150	1,516,780	24
Exchange Square Miles	3	63	25	53	25
Exchange Route Miles	6	115	49	106	26
Footnotes					27
					28
					29
					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Nippon Electric	NEC	5
Northern Telecom	NTI	6
Siemens	SI	7
Stromberg-Carlson	SC	8
VIDAR	VI	9
Switcher	SW	10 1

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4
Switcher	SW	5 1

MANUFACTURER ABBREVIATIONS

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EQUIPMENT ABBREVIATIONS

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Electronic--Digital	D	3
Electronic--Video	V	4
Switcher	SW	5 1

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	HILBERT	SHERWOOD	STOCKBRIDGE	TISCH MILLS	1
PSCW Exchange ID	2360	4880	5160	5350	2
Central Office Name	HILBERT	SHERWOOD	STOCKBRIDGE	TISCH MILLS	3
PSCW Central Office ID	1	1	1	1	4
Manufacturer of COE (Page 54)	SW	NTI	NTI	NTI	5
Year COE Installed	0	1990	1990	1991	6
Type of Equipment (Page 54)	SW	D	D	D	7
(S)tandalone, (H)ost, (R)emote	S	H	R	H	8
Remote Host PSCW Exchange ID			4880		9
Remote Host PSCW Central Office ID			1		10
COE Generic Software Release No.	SWITCHER	404.41	rmt	404.41	11
SS7?	No	No	No	No	12
9-1-1?	No	Yes	Yes	Yes	13
Access Lines - In Use	51	1,622	684	610	14
- Equipped	51	2,000	1,024	626	15
- Wired	51	2,000	1,024	626	16
Trunks - In Use		244	0	125	17
- Equipped		264	0	144	18
- Wired		264	0	144	19
ISDN Available?	No	No	No	No	20
ISDN Lines - In Use (BRI)		0			21
- In Use (PRI)		0			22
Switched 56 Service?	No	No	No	No	23
Switched 56 lines in use		0			24
Digital Transmission Facilities: DS-1 - In Use		27	14	7	25
DS-3 - In Use		0	0	0	26
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	27
SMDS?	No	No	No	No	28
Frame Relay?	No	No	No	No	29
ATM (Asynchronous Trans. Mode)?	No	No	No	No	30
Video Information - Service Available?	No	No	No	No	31
- In Use (# lines) ¹		0			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	0	96	8	0	33
No. of fiber strands working (LIT) in C.O.	0	12	4	0	34
No. of fiber strands for interoffice use	0	12	4	0	35
Miles of fiber sheath in wire center	0	18	3	0	36
Access Tandem Serving this C.O.:					
- C.O. Name	APPLETON	APPLETON	APPLETON	APPLETON	37
- PSCW C.O. ID	0150-01	0150-01	0150-01	0150-01	38
Does this C.O. do access tandem switching?	No	No	No	No	39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes	Yes	40
Equal Access: IntraLATA (1+)?	No	No	No	No	41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Telephone Calls and Minutes of Use Per Month Footnote. Page 47

This schedule has been completed to the best of our ability. The information requested by number of telephone calls in column (b) is not available due to a change in our companies method of tracking call traffic. We no longer track by the number of calls. Numbers in column (c), lines 8 through 10, contain both customer dialed and operator handle minutes of use. Further breakdown is not available.

Footnote padlock opened 7/23/97 by ele per July 2, 1997 letter from Gerald Ringlund.

Schedule Line Footnotes

- 1) Switcher service provided by GTE North-Wiscs Hilbert central office. See GTEs annual report for further central office detail.
- a) Amounts listed in columns (g) and (k) are reclasses between accounts, transfers with affiliates, or adjustments to the beginning balances pulled in incorrectly from last years report.
- b) Increase program development charges billed to major IXC.
- c) Intrastate Carrier Billing Collection revenue decreased mainly due to a rate change from Ameritech that resulted in a straight rate for all Wisconsin companies. There was also some impact from the partial discontinuance of billing services for a major IXC.
- d) Wrote off some IXC receivable balances in 1995 that were several years old and deemed uncollectable.
- e) Land and building expenses were increased due to remodeling, landscaping and furniture charges. Increased utility charges also contributed to this.
- f) Credit received for overbilling from GTE for switcher exchange in Stockbridge. This resulted in a \$20,000 credit.
- g) Circuit expense increased due to additional equipment cost.
- h) outside repair cost to buried plant decreased.
- i) This footnote is not being used.